



Assembly Member **JARED HUFFMAN**

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CONTACTS:

Lawrence Cooper (916) 319-2006

lawrence.cooper@asm.ca.gov

Jenny Callaway (415) 479-4920

jenny.callaway@asm.ca.gov

**Huffman Demands Answers from
Marin General Hospital Board
*Hospital Board's Response is "Dissembling"***

San Rafael, CA—Assemblymember Jared Huffman (D–San Rafael) reiterated his request to the Marin General Hospital Board that they explain the transfer of nearly \$90 million of Marin General Hospital (MGH) funds to other Sutter Health affiliates. In a letter dated today, Huffman requested, for the second time, an explanation from the board as to how their actions met their fiduciary obligation to act in the best interest of MGH.

Huffman's letter follows the MGH board's response to his initial request on July 17, 2009 for documentation detailing the board's review and approval of the transfers, as well as an explanation of how the transfers benefited the hospital. Instead of justifying these transfers and providing the requested documentation, the board offered a generic explanation of how affiliates within the Sutter Health family benefit from one another. In his second request, Huffman asserts, "If you [MGH Board] believe the transfers were in the best interests of MGH and its patients, then you should have no problem explaining your actions..."

Marin General Hospital is currently operated under lease by Sutter Health, but under a transfer agreement reached in 2006, the hospital will transition back to Marin Healthcare District control in 2010. Transfers of funds out of the hospital showed a significant increase after 2006.

According to hospital financial statements, \$38.7 million was transferred from Marin General Hospital in 2007, followed by another transfer of \$49 million in 2008. These funds have been dispersed to other hospitals in the Sutter system. In fact, since 1995, a total of \$118 million has been transferred out of Marin General. The transfer of funds has left many concerned that Sutter is draining the hospital of funds and will use the money to operate hospitals that will directly compete with MGH – threatening the future viability of the hospital.

"I will not be appeased by vague, dissembling letters, obviously written by Sutter attorneys, and I will utilize the full authority of my office, if necessary, to get this information. If it appears that these transfers were improper, I will fight to secure the return of these funds to MGH," Huffman wrote.

***** Subject letters attached**

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